

OPENING STATEMENT OF
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RANKING DEMOCRAT
SUBCOMMITTEE ON OVERSIGHT & INVESTIGATIONS
“PREVENTING IDENTITY THEFT BY TERRORISTS & CRIMINALS”
November 8, 2001

The easy accessibility of our social security number contributes significantly to the widespread increase of identity theft, which the government estimates strikes 750,000 victims per year and accounts for more than \$2 billion in fraud losses.

The fact that passwords, user names and other data used by financial institutions and utility companies to verify identity, such as an account holder's Social Security number, driver's license information and a mother's maiden name are readily accessible in countless databases on the web contribute to the problem. Several web sites even advertise they can provide Social Security numbers.

One common target for fraud is the recently deceased individuals because their credit cards and bank accounts are not automatically canceled or transferred to survivors. Some thieves have even taken the identity of a deceased child to establish a clean credit history.

Identity theft has been a serious problem for decades and the number of victims is increasing dramatically each year. Allegations of identity theft using Social Security numbers more than doubled last year from 26, 531 to 62,000 cases nationwide. For example, a woman who had been receiving title II disability benefits since the mid-1970s had obtained a license as a Certified Nurses Assistant in July 1999 using the Social Security number (SSN) of her deceased stepfather; a man who defrauded Social Security programs of \$30,000 when he continued to receive and spend his mother's Social Security widow's survivors benefits following his mother's death. More recently, a man suspected of training four of the hijackers of the Sept 11th attacks was able to use the Social Security number of a woman who had died ten years ago. Sadly, these are only three of the thousands of identity theft cases that occur in this country every year.

If we continue to accept the use of our social security number for a wide array of activities, such as joining a gym or when filling out a rental video card application, it will be difficult to reduce the incidence of identity theft.

I hope that with the information that will be gathered at this hearing we will be able to work toward meaningful initiatives to help better protect our privacy.